

# Exploring the Global Investor Toolkit

**Aaron Stevenson**  
**EverBank World Markets**

## Please remember:

- All comments and opinions are solely those of the speaker and are not in any way comments or opinions of EverBank or any affiliates. Additional information is available upon request.
- Information in this presentation has been obtained from sources believed to be reliable, but the accuracy, completeness and interpretation are not guaranteed and have not been independently verified. Opinions expressed are subject to change without notice and, due to the rapidly changing nature of currency markets, may quickly become outdated.
- The opinions and information presented do not constitute a solicitation for the purchase or sale of any securities or options on securities. The speaker or EverBank may hold positions from time to time in assets discussed during this presentation.
- Past performance is not representative of future results.

# Why listen to anything we say?



Chuck Butler  
President  
EverBank World Markets

- 35 years experience trading foreign currency, metals, and bonds
- EverBank World Markets - over \$1.5B in foreign currency and metals accounts
- Author:

*The Daily Pfennig*<sup>SM</sup> newsletter:  
[www.dailypfennig.com](http://www.dailypfennig.com)

*Currency Capitalist*<sup>SM</sup> publication:  
[www.worldcurrencywatch.com](http://www.worldcurrencywatch.com)

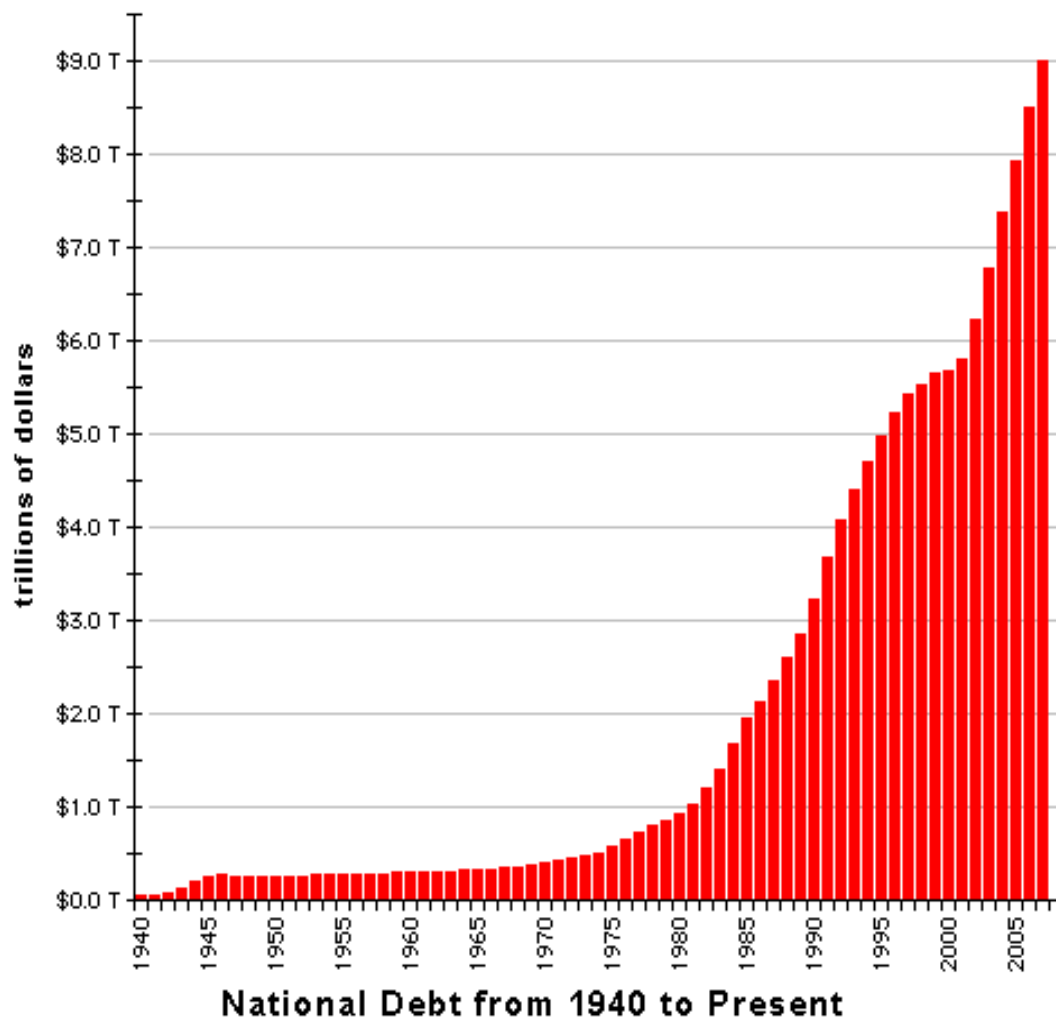
Quoted on:

THE WALL  
STREET  
JOURNAL.

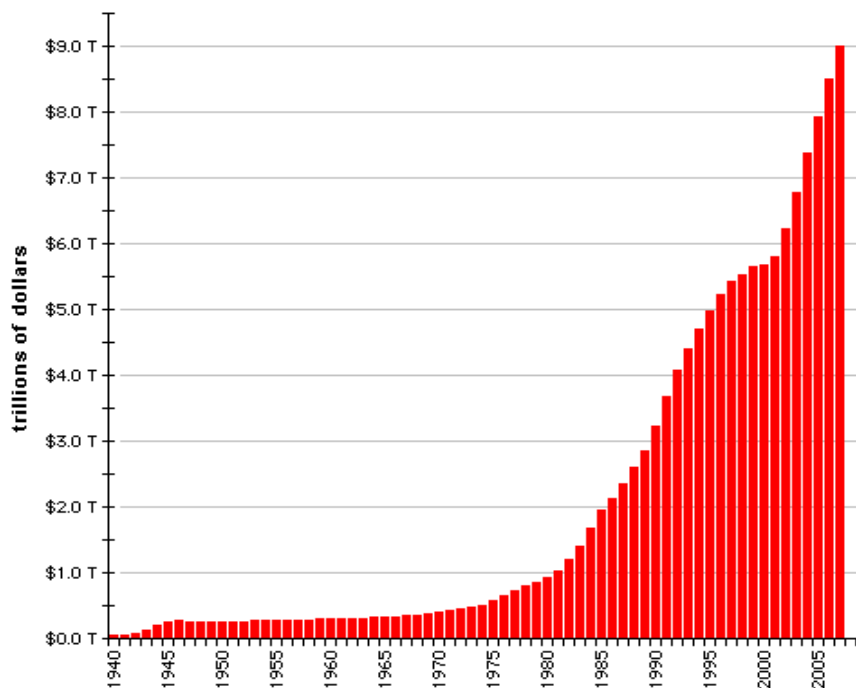
Market  Watch



\$46,000 per citizen—up from a year earlier by over \$11,000!

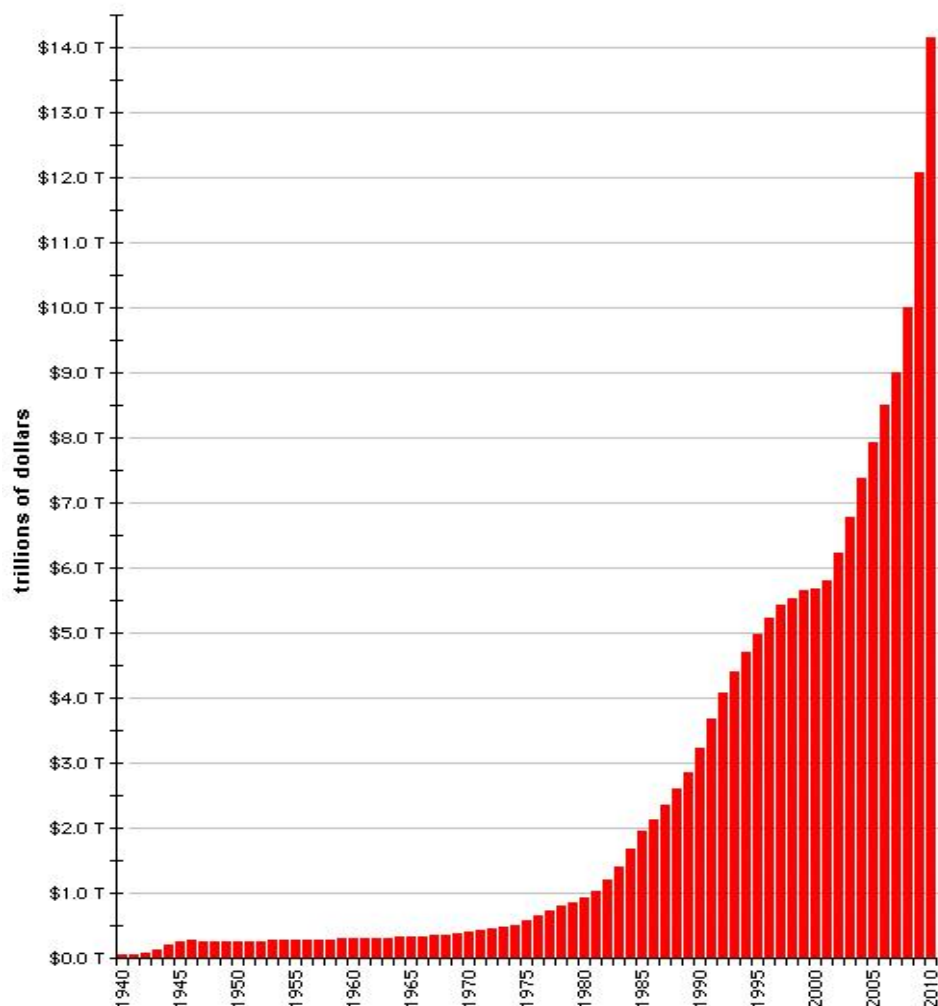


**Source:** U.S. National Debt Clock  
[http://www.brillig.com/debt\\_clock/](http://www.brillig.com/debt_clock/)



**National Debt from 1940 to Present**

Source: U.S. National Debt Clock  
[http://www.brillig.com/debt\\_clock/](http://www.brillig.com/debt_clock/)

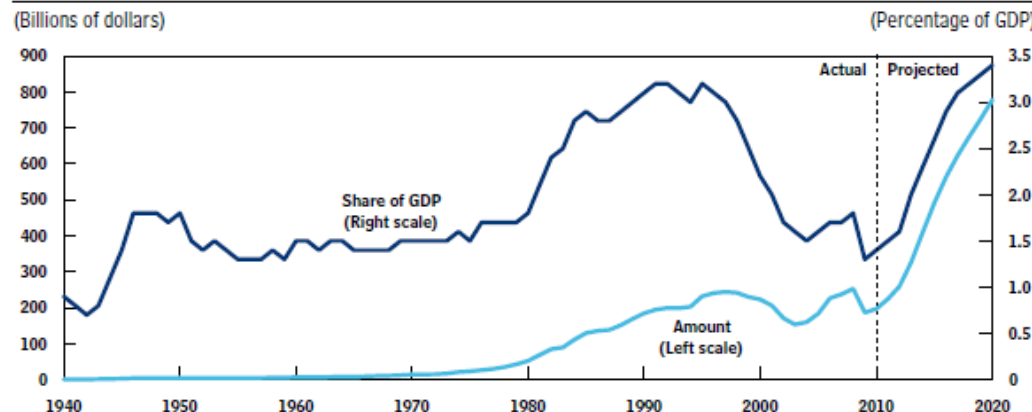


**National Debt from 1940 to Present**

Source: U.S. National Debt Clock  
[http://www.brillig.com/debt\\_clock/](http://www.brillig.com/debt_clock/)

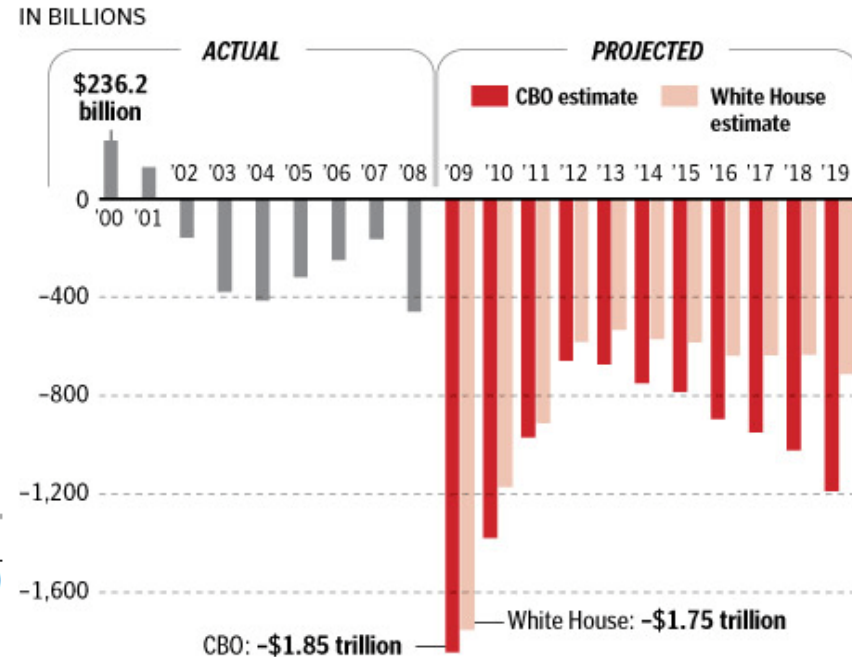
- The Congressional Budget Office (CBO) says that our deficit will run at more than 4.5% of GDP for the next ten years!

## Net Interest Outlays, 1940 to 2020



Sources: Congressional Budget Office; historical data are based on information from the Office of Management and Budget.

Note: GDP = gross domestic product.



Source: [businessinsider.com](http://businessinsider.com)

The U.S. uses the sale of U.S. Treasuries to finance our debt. Eventually, those bonds are going to come due.

## ***Can the principal be paid back?***

The U.S. can do 1 of 2 things and most likely will have to do both!

1. Raise taxes to levels not seen before to increase the revenue of the country.
2. Continue to allow a general depreciation of the dollar to:
  - A. Pay back the debt amounts with cheaper dollars
  - B. Allow the financing to be bought at a discount using cheaper dollars.

# Building a global toolkit

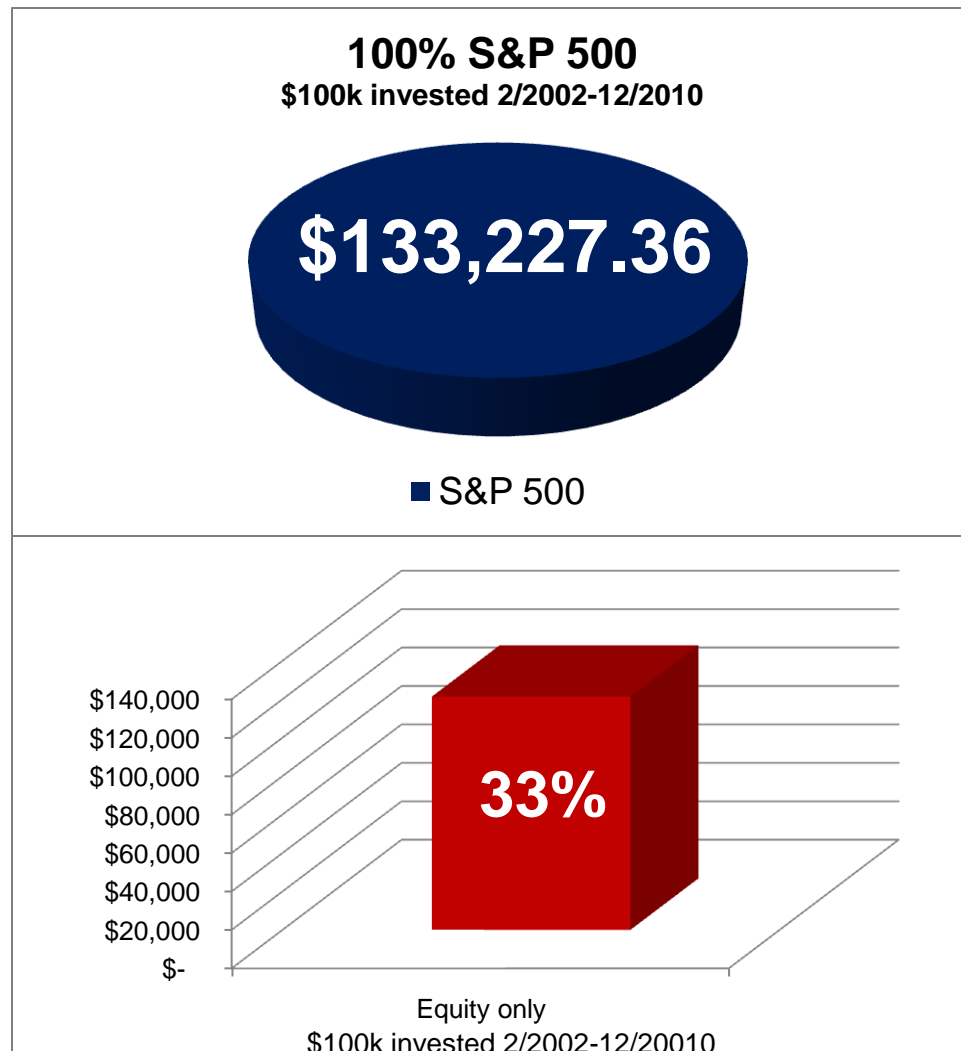


- 94% of return is based on asset class selection
- Low co-variance with other assets
- Not an excuse for inattention – select asset classes with return potential

- Currencies
  - Viewed as stock in a total country
  - Independent pricing mechanisms
    - Reflects different inputs than equity, bonds, or commodities
- Gold/Silver
  - Limited supply/quantity
  - Intrinsic value
  - Independent pricing mechanism
- International equities and bonds
  - No middleman
  - Ability to lock in currency hedging
  - Not US Dollar based (diversification)

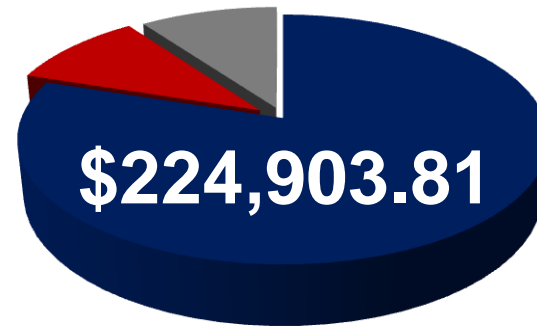
For illustrative purposes only

- No asset class diversification

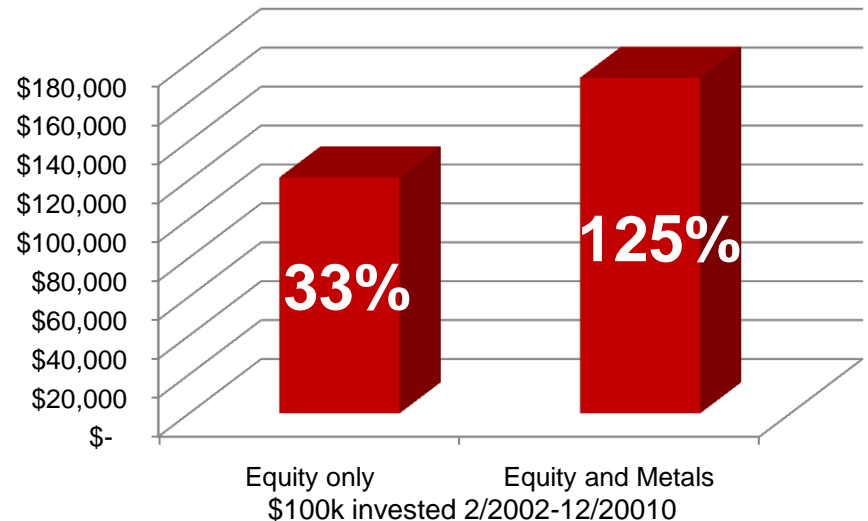


- Adding just 20% of metals added significant risk hedging

**80% S&P 500 – 20% Metals**  
\$100k invested 2/2002-12/20010

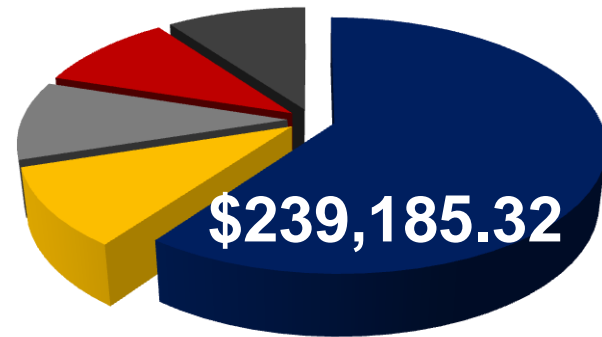


■ S&P 500 ■ Gold ■ Silver

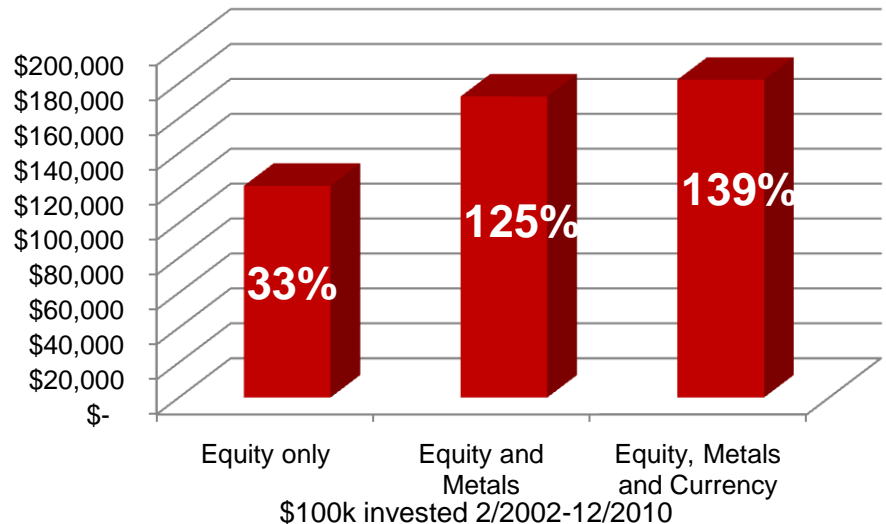


- Adding currencies on top of metals, drove additional positive fluctuations

60% S&P 500 - 20% Metals-20% Currency  
\$100k invested 2/2002-12/2010



■ S&P 500 ■ Gold ■ Silver ■ Euro ■ Aussie



BARRON'S

GET 4 WEEKS  
**FREE**  
SUBSCRIBE NOW!

▶ THE PRINT EDITION

▶ THE ONLINE EDITION

Login:

Password:

☒ Remember Me

Log In ▶

Forgot your user name or password? • [Subscribe](#)

Home

Magazine

Daily Analysis

Blogs & Columns

Investing Ideas

Rankings & Reports

Market Data

Daily Stock Alert

**ELECTRONIC INVESTOR** | SATURDAY, JULY 10, 2010

## A Bank With a Unique Broker Niche

By THERESA W. CAREY | [MORE ARTICLES BY AUTHOR\(S\)](#)

**BANKING GIANTS LIKE** Wells Fargo and Bank of America aren't the only ones offering online-brokerage services. Consider EverBank ([www.everbank.com](http://www.everbank.com)), which has been around for a decade, but just made it onto our radar.

\* Brokerage services are offered solely through EverTrade, a registered broker dealer and member of FINRA, and not through EverBank.

**(NOT FDIC INSURED)**

## International equities and bonds

- International equities
  - Look for liquid, stable exchanges
  - All countries companies available, including ADR companies
  - Strong companies across the world in which to invest
- International bonds
  - Buying sovereign debt
  - Yield differential to the US

Country Name	Foreign Equities	Foreign Bonds
Australia	•	•
Austria	•	
Brazil		•
Canada	•	•
Czech Republic		•
Denmark	•	
Euro		•
Finland	•	
France	•	
Germany	•	•
Hong Kong	•	
Hungary		•
Italy	•	
Japan	•	
Mexico	•	•
Netherlands	•	
New Zealand	•	•
Norway	•	•
Poland		•
Russia	•	
Singapore	•	
South Africa	•	•
Spain	•	•
Sweden	•	•
Switzerland	•	•
Thailand	•	
United Kingdom	•	•

You can be successful in currencies and metals

Asset	2005	2006	2007	2008	2009	2010	Annualized 2/02 – 12/10
<b>S&amp;P 500</b>	3.00%	13.60%	3.50%	-38.50%	23.45%	12.78%	<b>3.75%</b>
<b>Euro</b>	-12.60%	11.40%	10.50%	-4.50%	2.50%	-6.56%	<b>8.07%</b>
<b>Yen</b>	12.80%	-1.10%	6.80%	23.00%	-2.60%	14.68%	<b>7.38%</b>
<b>Australia</b>	-6.10%	7.70%	11.10%	-19.30%	27.80%	13.95%	<b>15.54%</b>
<b>Sweden</b>	-16.60%	15.90%	5.90%	-17.60%	9.40%	6.70%	<b>8.39%</b>
<b>Canada</b>	3.40%	-0.30%	17.00%	-18.10%	15.70%	5.49%	<b>8.95%</b>
<b>Gold</b>	17.90%	23.20%	30.90%	5.80%	24.40%	29.53%	<b>43.50%</b>
<b>Silver</b>	29.30%	46.20%	14.50%	-23.50%	48.00%	82.94%	<b>67.44%</b>

Return data through December 31, 2010



## Components of return

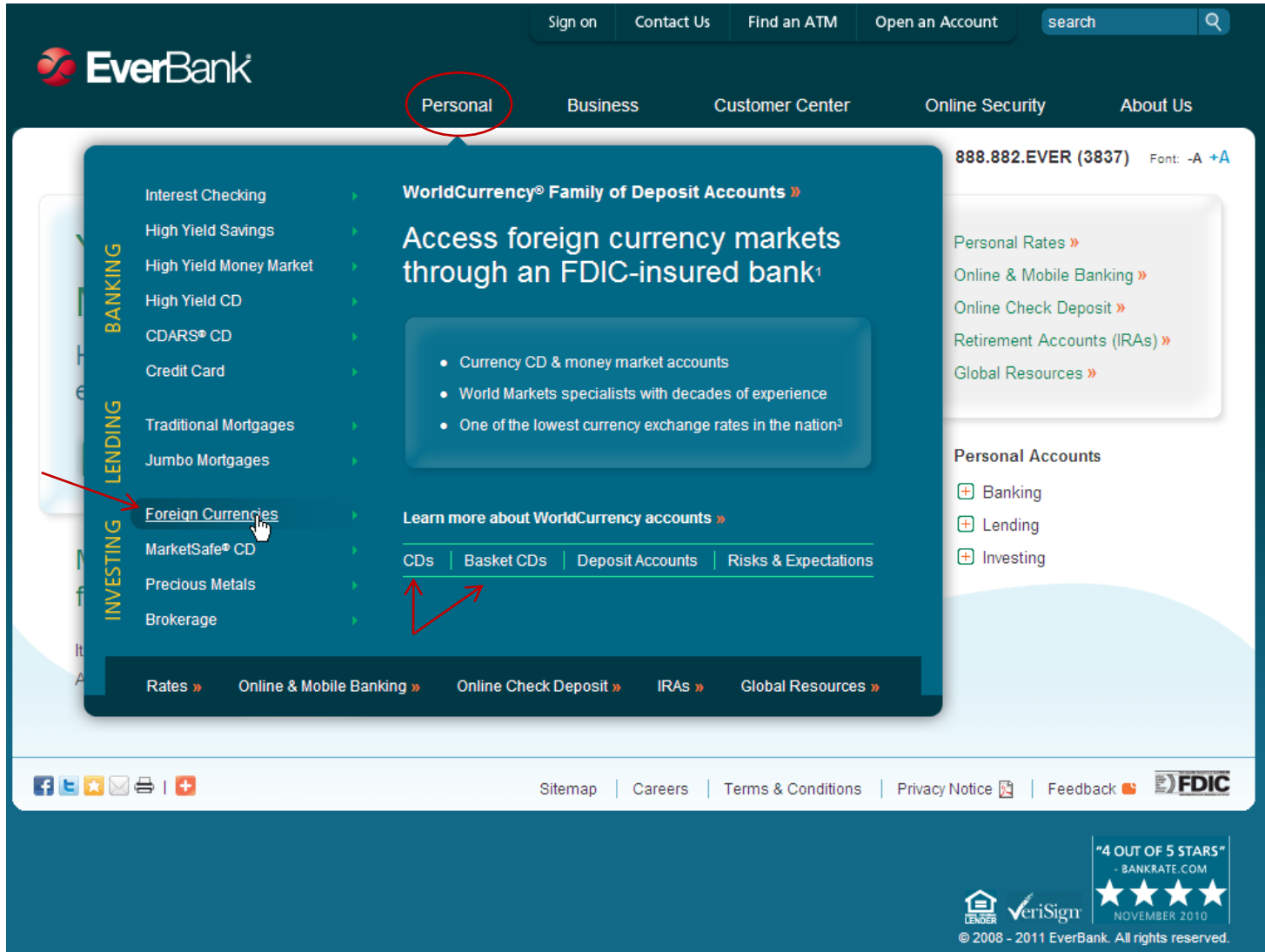
- **Conversion from USD to currency**
- **Interest rate paid in local currency**
- **Rollover or reallocation of currency**
- **Conversion from currency to USD**

## Example

- **US \$100,000 converted to euro's at 1.35**
  - 74,074.07 euro's placed on deposit
- **1 Year at 2% paid in euro's**
  - 1,481.48 euro's interest, 75,555.55 euro's at maturity

- **Convert back to USD**

At	1.20	1.35	1.50
USD	\$90,666.66	\$101,999.99	\$113,333.33
Return	\$ (9,333.34)	\$ 1,999.99	\$ 13,333.33
Net Yield	-9%	2%	13%



The screenshot displays the EverBank website interface. At the top, the navigation bar includes links for Sign on, Contact Us, Find an ATM, Open an Account, and a search bar. The main navigation menu features Personal (highlighted with a red circle), Business, Customer Center, Online Security, and About Us. A large blue overlay menu is open, showing categories: BANKING (Interest Checking, High Yield Savings, High Yield Money Market, High Yield CD, CDARS® CD, Credit Card), LENDING (Traditional Mortgages, Jumbo Mortgages, Foreign Currencies), and INVESTING (MarketSafe® CD, Precious Metals, Brokerage). A red arrow points to the 'Foreign Currencies' link. The 'WorldCurrency® Family of Deposit Accounts' section is prominent, stating 'Access foreign currency markets through an FDIC-insured bank¹' and listing benefits: Currency CD & money market accounts, World Markets specialists with decades of experience, and One of the lowest currency exchange rates in the nation³. Below this, a link 'Learn more about WorldCurrency accounts »' leads to a sub-menu with CDs, Basket CDs, Deposit Accounts, and Risks & Expectations. Red arrows point from this sub-menu to the 'Foreign Currencies' link and the 'WorldCurrency' section. On the right, a sidebar shows '888.882.EVER (3837)' and 'Font: -A +A', followed by links for Personal Rates, Online & Mobile Banking, Online Check Deposit, Retirement Accounts (IRAs), and Global Resources. Below this, 'Personal Accounts' are listed: Banking, Lending, and Investing. The footer contains social media icons, a Sitemap, Careers, Terms & Conditions, Privacy Notice, Feedback, and an FDIC logo. A '4 OUT OF 5 STARS' rating from Bankrate.com (November 2010) is also displayed, along with VeriSign and Lender logos. Copyright information for 2008-2011 EverBank is at the bottom right.

EverBank

Sign on Contact Us Find an ATM Open an Account search

Personal Business Customer Center Online Security About Us

888.882.EVER (3837) Font: -A +A

Personal Rates »  
Online & Mobile Banking »  
Online Check Deposit »  
Retirement Accounts (IRAs) »  
Global Resources »

Personal Accounts  
+ Banking  
+ Lending  
+ Investing

WorldCurrency® Family of Deposit Accounts »  
Access foreign currency markets through an FDIC-insured bank¹

- Currency CD & money market accounts
- World Markets specialists with decades of experience
- One of the lowest currency exchange rates in the nation³

Learn more about WorldCurrency accounts »

CDs Basket CDs Deposit Accounts Risks & Expectations

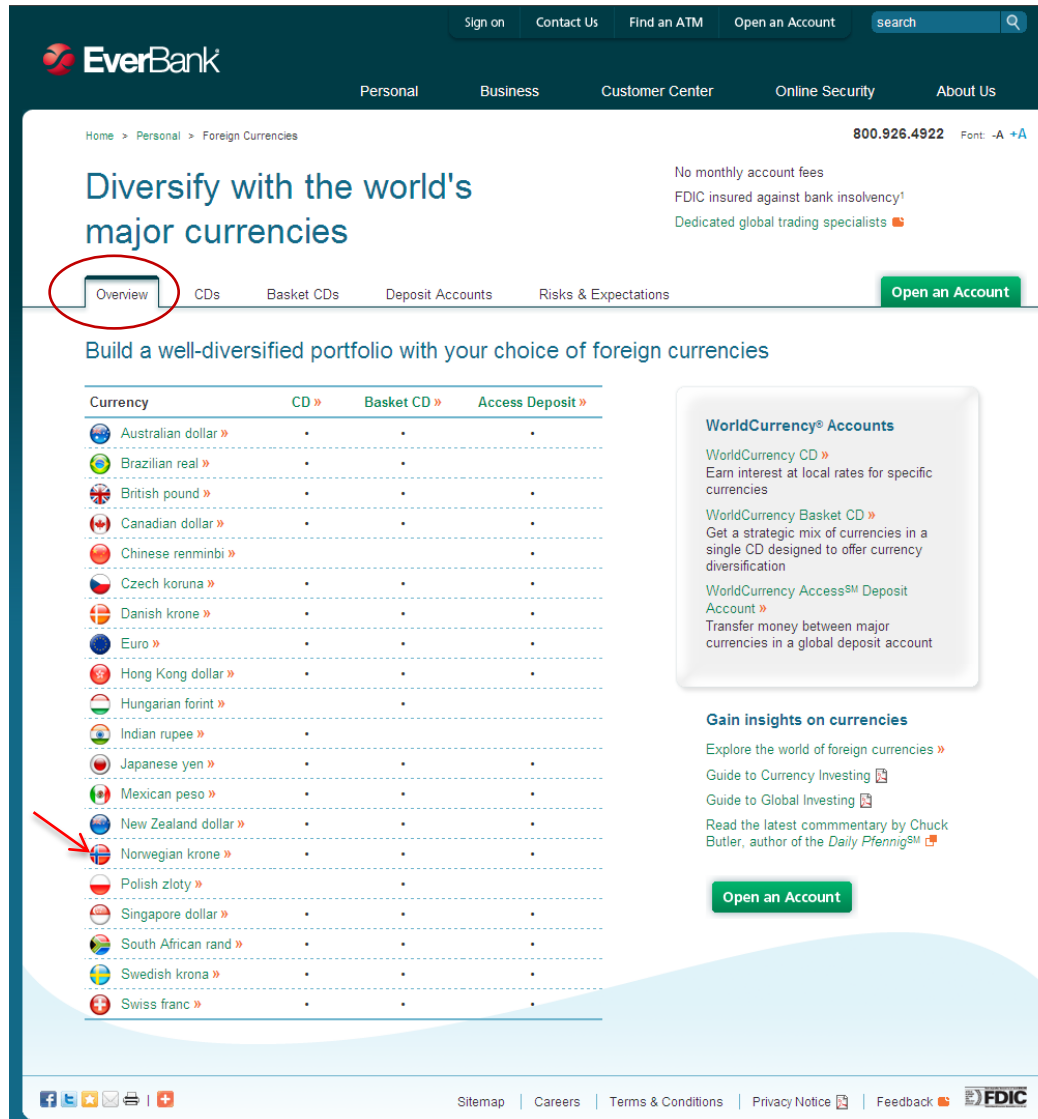
Rates » Online & Mobile Banking » Online Check Deposit » IRAs » Global Resources »

f t s e i +

Sitemap Careers Terms & Conditions Privacy Notice Feedback FDIC

"4 OUT OF 5 STARS"  
- BANKRATE.COM  
NOVEMBER 2010

VeriSign  
© 2008 - 2011 EverBank. All rights reserved.



Sign on Contact Us Find an ATM Open an Account search

Personal Business Customer Center Online Security About Us

Home > Personal > Foreign Currencies 800.926.4922 Font: -A +A

## Diversify with the world's major currencies

No monthly account fees  
FDIC insured against bank insolvency¹  
Dedicated global trading specialists

Overview CDs Basket CDs Deposit Accounts Risks & Expectations [Open an Account](#)

### Build a well-diversified portfolio with your choice of foreign currencies

Currency	CD »	Basket CD »	Access Deposit »
Australian dollar »	•	•	•
Brazilian real »	•	•	
British pound »	•	•	•
Canadian dollar »	•	•	•
Chinese renminbi »			•
Czech koruna »	•	•	•
Danish krone »	•	•	•
Euro »	•	•	•
Hong Kong dollar »	•	•	•
Hungarian forint »		•	
Indian rupee »	•		
Japanese yen »	•	•	•
Mexican peso »	•	•	•
New Zealand dollar »	•	•	•
Norwegian krone »	•	•	•
Polish zloty »		•	
Singapore dollar »	•	•	•
South African rand »	•	•	•
Swedish krona »	•	•	•
Swiss franc »	•	•	•

#### WorldCurrency® Accounts

[WorldCurrency CD »](#)  
Earn interest at local rates for specific currencies

[WorldCurrency Basket CD »](#)  
Get a strategic mix of currencies in a single CD designed to offer currency diversification

[WorldCurrency AccessSM Deposit Account »](#)  
Transfer money between major currencies in a global deposit account

#### Gain insights on currencies


[Explore the world of foreign currencies »](#)  
[Guide to Currency Investing »](#)  
[Guide to Global Investing »](#)  
Read the latest commentary by Chuck Butler, author of the *Daily PfennigSM* »

[Open an Account](#)

Facebook Twitter Email Print RSS

Sitemap Careers Terms & Conditions Privacy Notice Feedback FDIC

[Sign on](#)
[Contact Us](#)
[Find an ATM](#)
[Open an Account](#)



[Personal](#)
[Business](#)
[Customer Center](#)
[Online Security](#)
[About Us](#)

[Home](#) > [Personal](#) > [Global Market Resources](#) > [Currency Resources](#) > Norwegian krone
 800.926.4922
Font: -A +A

## Norway

### Economic Information

[Learn more about these countries](#)

Australia
 Brazil
 Great Britain
 Canada

[Overview](#)
[Indicators](#)
[Considerations](#)
[News & Insights](#)
[Norwegian Opportunities](#)

#### Historical currency exchange rates

Convert from

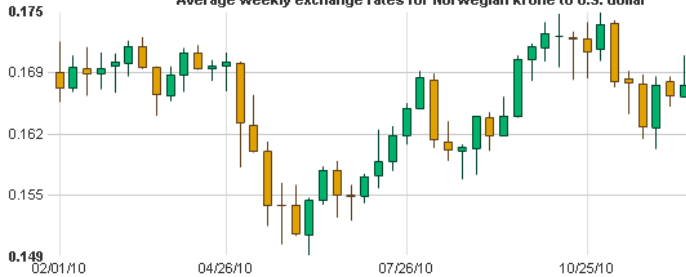
Convert to

Term

Refresh

Delayed Quote: 1 NOK = 0.1728 USD | 1 USD = 5.7829 NOK

Average weekly exchange rates for Norwegian krone to U.S. dollar



Downward Trend
Upward Trend

Source: These exchange rates are interbank rates as published by Interactive Data as of 1/30/2011. These rates were not available to retail customers and were not the rates offered by EverBank. Past performance does not guarantee future results.

#### Norway at a glance

**Central Bank:** Bank of Norway

**Currency:** Norwegian krone (NOK or kr)

- Rich in natural resources
- World's 3rd largest oil net exporter
- One of the highest standard of living

Open an Account

[Sitemap](#)
[Careers](#)
[Terms & Conditions](#)
[Privacy Notice](#)
[Feedback](#)

## Deposits of EverBank

- 3 Months – 1 Year

Denominated in over 20 currencies from around the globe

Executing on your strategy

## FDIC Insured

- Does not insure against loss due to adverse currency price movement

Deliver currency to open or close deposit

- Or convert with EverBank

No fee / charge for rollover

## Deposits of EverBank

- MMDA – US dollars available in two business days

Denominated in over 20 currencies from around the globe

Executing on your strategy

## FDIC Insured

- Does not insure against loss due to adverse currency price movement

Deliver currency to open or close deposit

- Or convert with EverBank

## Deposits at EverBank

- CD's – typically 3 months or 6 months

## Baskets of 3-4 currencies

- Investing in a theme

## Executing on your strategy

## FDIC Insured

- Does not insure against loss due to adverse currency price movement



Home > Personal > Foreign Currencies > Debt-Free Basket CD

800.926.4922 Font: -A +A

## Balance a weak dollar with currencies from strong economies

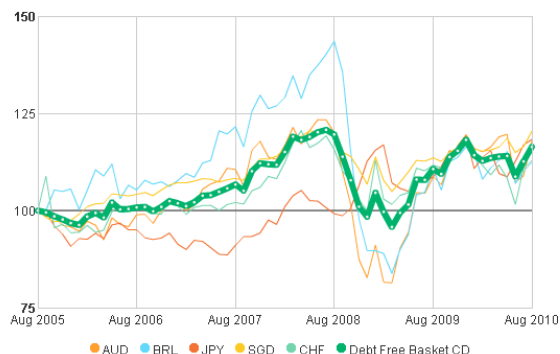
3-month CD<sup>1</sup>  
**1.81%** APY

6-month CD<sup>1</sup>  
**1.86%** APY

Overview Rates & Fees Risks & Expectations How it Works

[Open an Account](#)

See how this basket CD performed against its individual currencies<sup>2</sup>



### Debt Free<sup>SM</sup> Basket CD

Minimum deposit	\$20,000
3- and 6-month terms	Yes
Fee for rollover	\$0
Fixed interest rate	Yes
Potential for currency appreciation <sup>3</sup>	Yes
FDIC insured for bank insolvency <sup>4</sup>	Yes
High yield cash management account	Yes
Available as an IRA	Yes

### Currencies from economies with little trade deficit

- Australian dollar - 20%
- Brazilian dollar - 20%
- Japanese yen - 20%
- Singapore dollar - 20%
- Swiss franc - 20%

[Open an Account](#)

Home > Personal > Foreign Currencies > Pan-Asian Basket CD

800.926.4922 Font: -A +A

## Gain exposure to high growth Pan-Asian economies

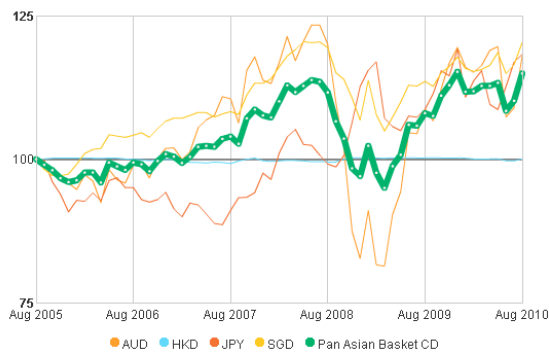
Overview Rates & Fees Risks & Expectations How it Works

[Open an Account](#)

3-month CD<sup>1</sup>  
**1.00%** APY

6-month CD<sup>1</sup>  
**1.10%** APY

See how this basket CD performed against its individual currencies<sup>2</sup>



### Pan-Asian<sup>SM</sup> Basket CD

Minimum deposit	\$20,000
3- and 6-month terms	Yes
Fee for rollover	\$0
Fixed interest rate	Yes
Potential for currency appreciation <sup>3</sup>	Yes
FDIC insured for bank insolvency <sup>4</sup>	Yes
High yield cash management account	Yes
Available as an IRA	Yes

### Currencies from thriving economies in the Pan-Asian region

- Australian dollar - 40%
- Hong Kong dollar - 20%
- Japanese yen - 20%
- Singapore dollar - 20%

[Open an Account](#)

**Deposits at EverBank or non-FDIC insured EverBank Metals Select<sup>SM</sup>**

**Broadly diversified portfolios**

**Individual CD's, MMDA, Metals Select in one trade order**

**Executing on your strategy**

**FDIC Insured**

- **Does not insure against loss due to adverse currency price movement**
- **EverBank Metals Select are not FDIC insured**

**Custody account to hold gold or silver**

**Responsibility of EverBank**  
**Not FDIC Insured**

**Select how you want to hold**

- **Pooled accounts**
  - Most cost efficient means to hold metals
  - No storage fee, industry leading execution
- **Allocated accounts**
  - Specific coins, bars etc
  - Annual fee
  - Delivery available
- **Delivery**
  - Can choose delivery at any time

**Deposit at EverBank**

**FDIC Insured**

**Guarantee of 100% return of principal**

**Additional Return based on “market index”**

**Some historical issues**

**S&P 500**

**Silver**

**Japanese REIT**

**Dow Jones-AIG Index**

**Gold**

**BRIC**

**MarketSafe<sup>®</sup> Title**

**Timeless Metals**

**Projected Term**

**5 Yr**

**Index**

**Spot Price of 5 metals**

(Gold, Silver, Platinum, Copper and Nickel)

**Participation**

**100%**

**Minimum Deposit**

**\$1500**

## Banking

- Difference: Yield Pledge: high yields against our competitors

## World Markets

- Difference: 21+ currencies in FDIC insured bank products

## Global Brokerage (non-FDIC insured)

- Difference: International equity and bond execution in over 20 different global exchanges

## Mortgage

- Difference: Highly competitive rates with straight talk from experienced loan officers

**EverBank**  
**800-926-4922**  
**[www.EverBank.com](http://www.EverBank.com)**

Aaron Stevenson  
**EverBank World Markets**